

HONG KONG

PROPERTY MARKETS

2024 REVIEW & 2025 OUTLOOK

Better never settles

01

OFFICE MARKET



2024 GRADE A OFFICE RENT CORRECTED BY 5.9% YTD

We expect another 7 to 9% rental decline in 2025

Submarkets	Jan 19 (Peak)	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q-o-Q Δ	YTD Δ	2025 Forecast
Prime Central	\$166.1	\$99.2	\$98.9	\$96.7	93.5	92.1	-2.3%	-7.1%	-8 ~ -10%
Greater Central	\$139.0	\$85.3	\$85.0	\$83.8	81.0	80.1	-2.0%	-6.0%	-8 ~ -10%
Wanchai / Causeway Bay	\$79.2	\$49.9	\$49.6	\$48.3	47.8	47.0	-2.0%	-5.8%	-7 ~ -9%
Hong Kong East	\$55.3	\$39.4	\$38.6	\$37.6	36.1	34.4	-4.8%	-12.7%	-9 ~ -11%
Hong Kong South	\$36.1	\$27.3	\$26.4	\$26.2	25.0	24.3	-2.8%	-10.8%	-9 ~ -11%
Greater Tsimshatsui	\$68.0	\$43.4	\$43.3	\$42.9	42.5	42.4	-0.3%	-2.3%	-5 ~ -7%
Kowloon East	\$36.8	\$26.0	\$25.9	\$25.8	25.4	24.8	-2.6%	-4.5%	-4 ~ -6%
Kowloon West	\$44.0	\$30.9	\$30.1	\$29.3	29.1	29.0	-0.9%	-6.4%	-4 ~ -6%
All Districts Average	\$76.0	\$47.9	\$47.6	\$47.0	\$45.9	\$45.1	-2.1%	-5.9%	-7 ~ -9%

Unit: Net effective rent, HK\$/sf/month

Note: Q4 2024 is based on data as of end-November 2024

Prime Central: 14 prime office buildings in Greater Central

Greater Central: Admiralty, Central and Sheung Wan including Prime Central

Hong Kong East: North Point, Quarry Bay and Tai Koo Shing

Hong Kong South: Wong Chuk Hang and Pok Fu Lam

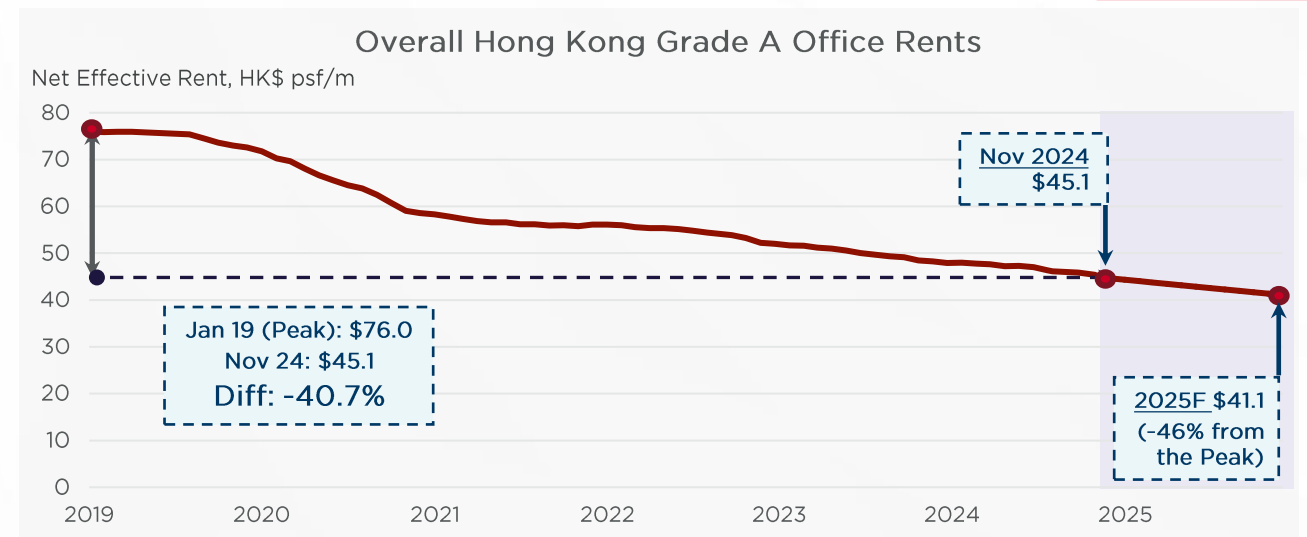
Greater Tsimshatsui: Tsimshatsui, Tsimshatsui East, Hung Hom and Kowloon Station

Kowloon East: Kwun Tong, Ngau Tau Kok, Kowloon Bay and Kai Tak

Kowloon West: Kowloon Tong, Mongkok, Cheung Sha Wan, Kwai Chung and Tsuen Wan

Note: Rents are based on NFA, exclusive of air conditioning & management fees, and gov. rates

Source: Cushman & Wakefield Research

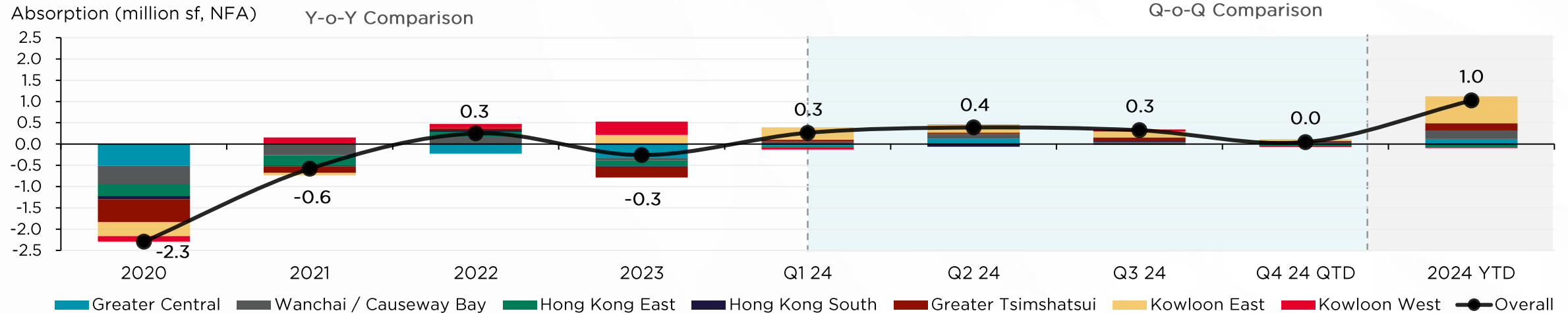


NET ABSORPTION STAYED POSITIVE FOR THE FIFTH CONSECUTIVE QUARTER

Bringing the 2024 whole year net absorption to exceed 1 million sq ft

Submarkets	2020	2021	2022	2023	Q1 24	Q2 24	Q3 24	Q4 24 QTD	2024 YTD
Greater Central	-507,600	10,400	-224,400	-330,500	-49,700	130,800	28,000	12,700	121,700
Wanchai / Causeway Bay	-429,500	-261,700	181,300	-59,800	47,000	94,100	26,200	29,300	196,600
Hong Kong East	-279,400	-241,500	105,400	-118,400	-20,500	18,400	-19,000	-55,000	-76,100
Hong Kong South	-82,400	-20,800	46,900	-17,300	13,400	-61,400	15,700	19,000	-13,300
Greater Tsimshatsui	-532,200	-152,500	37,400	-259,400	41,800	24,300	86,300	16,700	169,100
Kowloon East	-334,000	-59,300	1,500	216,800	289,700	173,600	136,300	35,620	635,200
Kowloon West	-130,000	146,800	102,400	309,800	-57,400	9,300	50,600	-12,500	-10,000
Overall	-2,295,200	-578,700	250,600	-258,800	264,200	389,100	324,100	45,800	1,023,200

Note: Data as of mid-November 2024



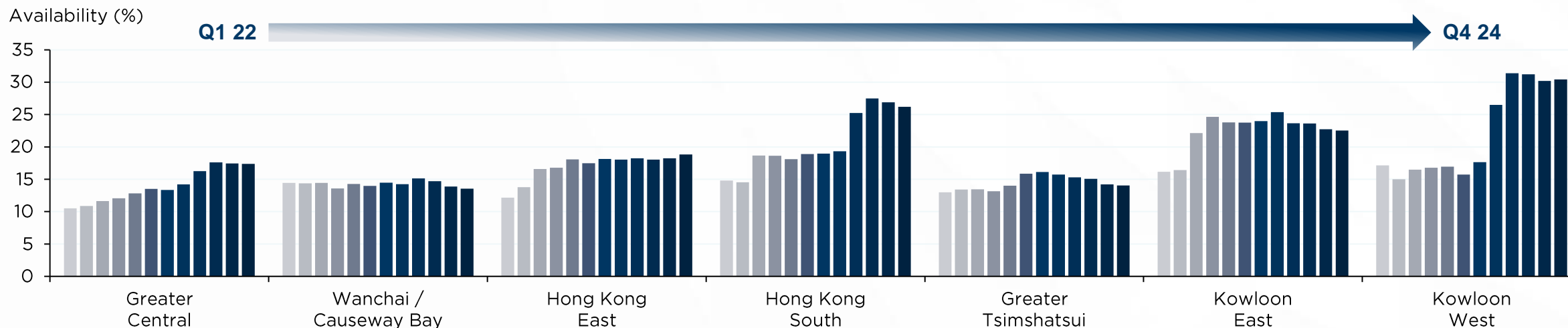
Source: Cushman & Wakefield Research

OVERALL AVAILABILITY RATE FELL FOR THE SECOND CONSECUTIVE QUARTER

No new supply completions in Q4 underpinned the availability

Submarkets	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24 QTD
Greater Central	10.5%	10.9%	11.6%	12.1%	12.8%	13.5%	13.4%	14.2%	16.3%	17.6%	17.5%	17.4%
Wanchai / Causeway Bay	14.4%	14.4%	14.4%	13.6%	14.3%	14.0%	14.5%	14.2%	15.1%	14.1%	13.9%	13.6%
Hong Kong East	12.2%	13.8%	16.6%	16.8%	18.1%	17.5%	18.1%	18.0%	18.2%	18.1%	18.3%	18.8%
Hong Kong South	14.8%	14.5%	18.7%	18.7%	18.1%	18.9%	19.0%	19.3%	25.3%	27.5%	26.9%	26.2%
Greater Tsimshatsui	13.0%	13.4%	13.4%	13.1%	14.0%	15.9%	16.1%	15.7%	15.3%	15.1%	14.2%	14.0%
Kowloon East	16.2%	16.4%	22.1%	24.6%	23.8%	23.8%	24.0%	25.4%	23.7%	23.5%	22.7%	22.5%
Kowloon West	17.1%	15.0%	16.5%	16.8%	16.9%	15.7%	17.7%	26.5%	31.4%	31.2%	30.2%	30.4%
Overall Availability*	13.6%	13.8%	16.1%	16.7%	17.1%	17.3%	17.7%	18.8%	19.6%	19.7%	19.3%	19.2%

Note: Availability includes confirmed leasing stock that is currently vacant or becoming vacant over the next 12 months. Numbers highlighted in red indicates a q-o-q decline of availability rate
Note: Data as of Nov 2023

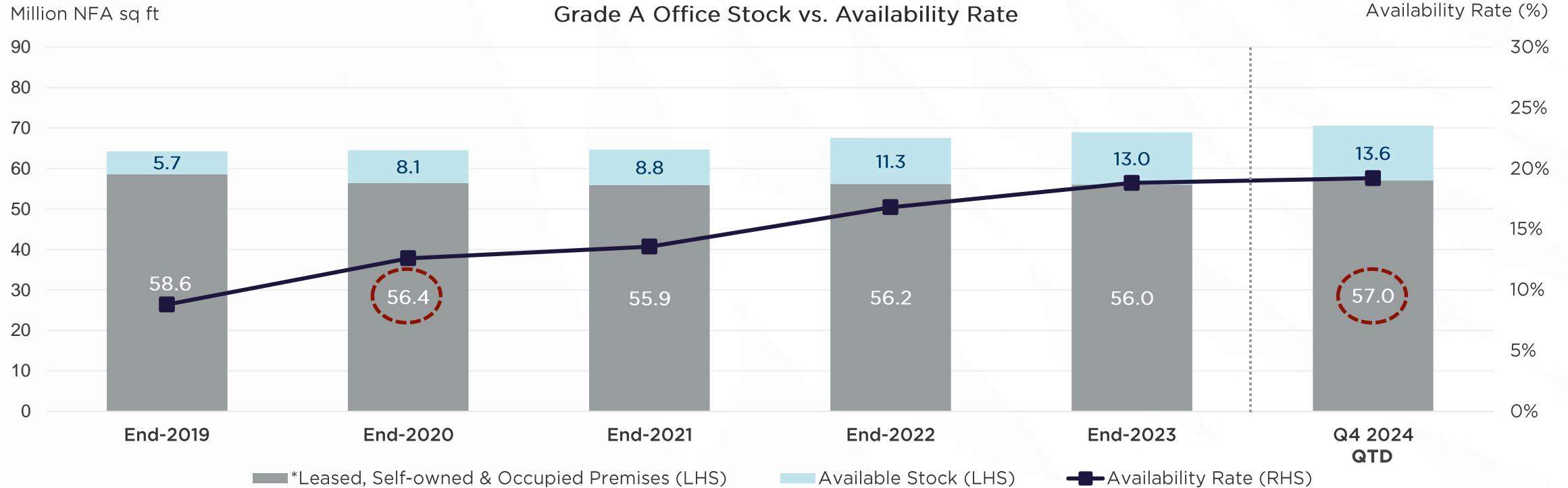


Source: Cushman & Wakefield Research

TOTAL UNAVAILABLE STOCKS STEADILY INCREASE

The high availability rate was mainly due to the ongoing new supply pipeline

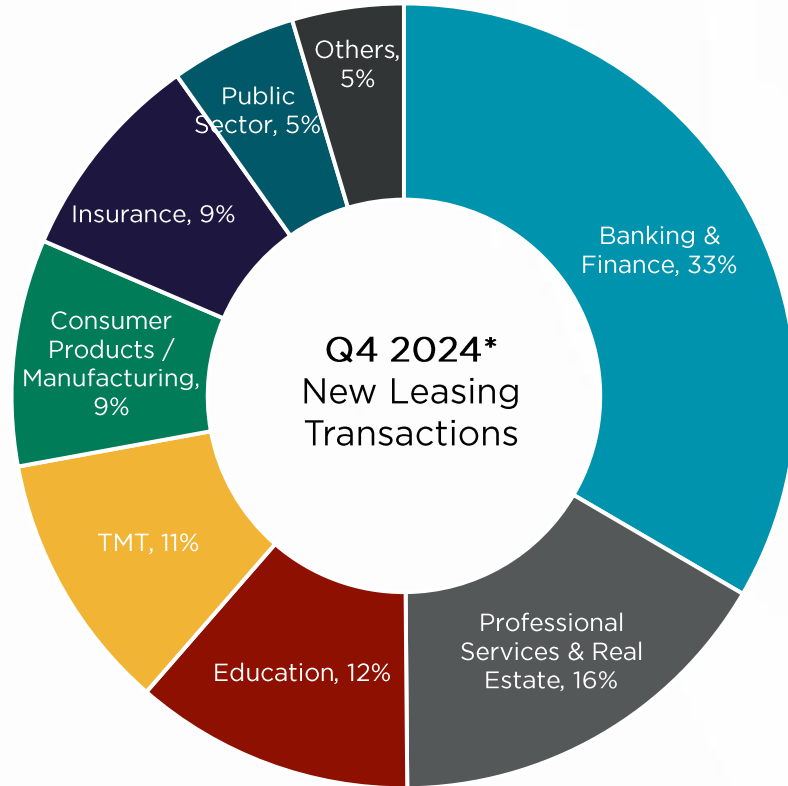
	End-2019	End-2020	End-2021	End-2022	End-2023	Q4 2024 QTD
Total Stock (NFA mil sf)	64.2	64.5	64.7	67.5	69.0	70.6
Availability Rate (%)	8.8%	12.6%	13.6%	16.7%	18.8%	19.2%



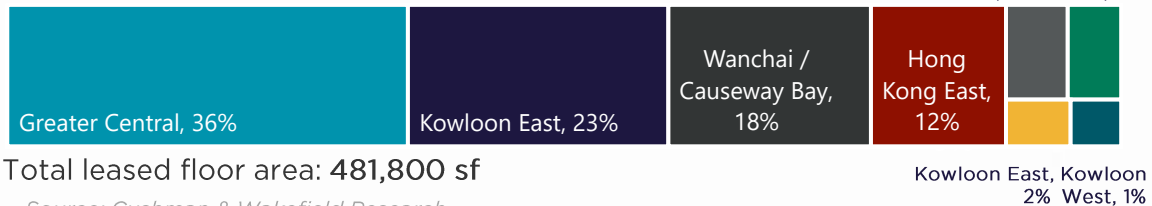
Source: Cushman & Wakefield Research

BANKING & FINANCE SECTOR REMAINED THE MAJOR SOURCE OF NEW LETTINGS IN Q4








Demand from education sector demand is also noticeably increasing



*Data as of 19 Nov 2024, the above chart only covers deals with known tenants

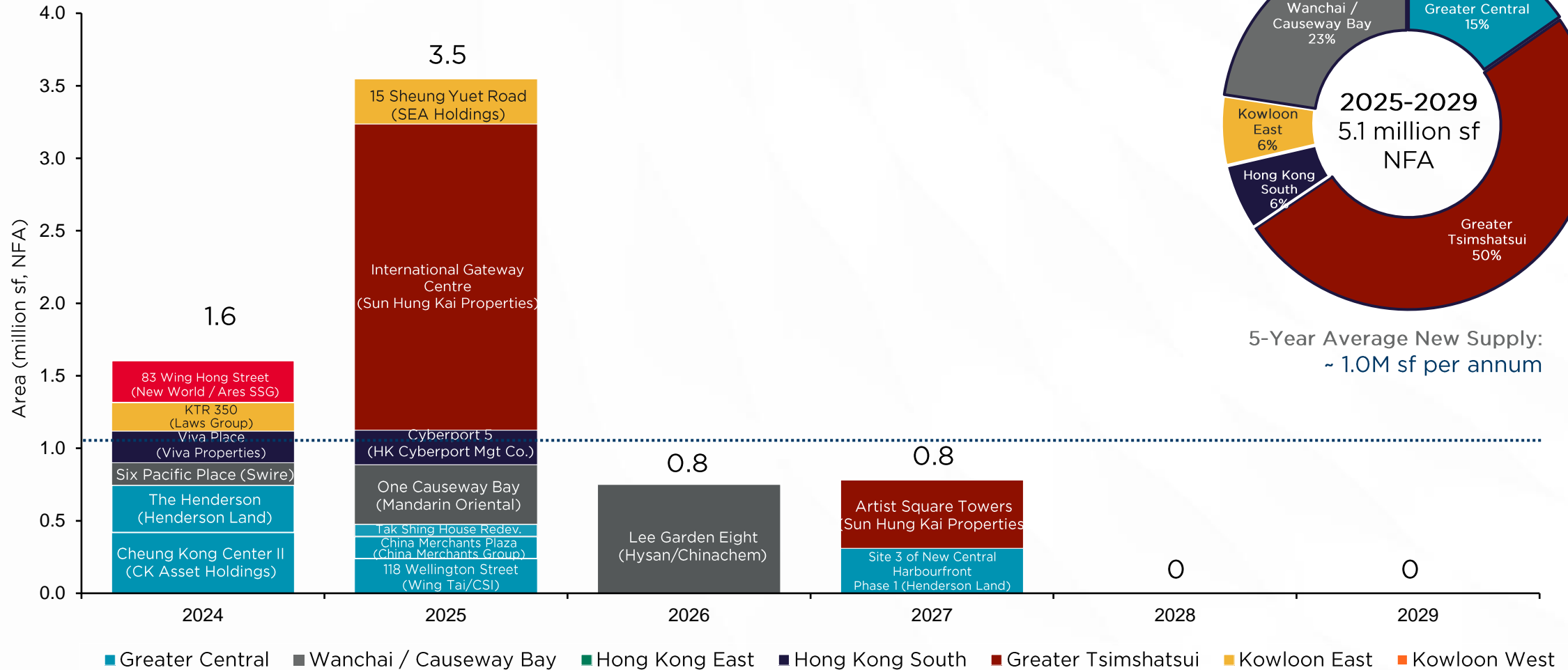


Source: Cushman & Wakefield Research

Banking & Finance		
 <p>凱基銀行 KGI BANK</p> <p>One Pacific Place 35,300 sf</p>	 <p>OAKTREE</p> <p>2IFC 13,400 sf</p>	 <p>WeBank 微众银行</p> <p>Three Exchange Square 11,200 sf</p>
Professional Services & Real Estate		
 <p>Cheil</p> <p>Times Square 12,800 sf</p>	 <p>Moelis</p> <p>Two Pacific Place 9,000 sf</p>	 <p>McKinsey & Company</p> <p>Alexandra House 8,500 sf</p>
Education		Consumer Products / Manufacturing
 <p>香港科技大學 THE HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY</p> <p>Manulife Financial Centre 22,600 sf</p>	 <p>香港大學 THE UNIVERSITY OF HONG KONG</p> <p>Kingston International Centre 16,600 sf</p>	 <p>OTIS</p> <p>FOYER 8,900 sf</p>
TMT		 <p>CHANEL</p> <p>One Island East 8,600 sf</p>
 <p>GLOBAL TECHNOLOGY INTEGRATOR GTI</p> <p>One Pacific Place 7,500 sf</p>	 <p>GDS 万国数据</p> <p>Cheung Kong Center II 4,000 sf</p>	

FUTURE SUPPLY PIPELINE

Core submarkets account for almost 90% of new supply



Source: Cushman & Wakefield Research



Office Market 2024 Review & 2025 Outlook

Key Takeaways

1

Annual net absorption improved in 2024 and reached 1 million sq ft, the highest level since 2019, while availability rate further declined to 19.2%

2

Banking & Finance remained the major source of demand, but education sector demand is also rising.

3

In 2025, with 3.5 million sq ft new office space entering the market, the overall availability rate is expected to potentially reach 22%.

4

Rents decline by 5.9% in the first 11 months of 2024, and amidst the supply boom ahead, we forecast rents will further decline by 7%-9% in 2025.

5

In the near-to-mid term, office market sentiment will be subject to the recovery of IPO activities and the rebound of economy.

02

RETAIL MARKET

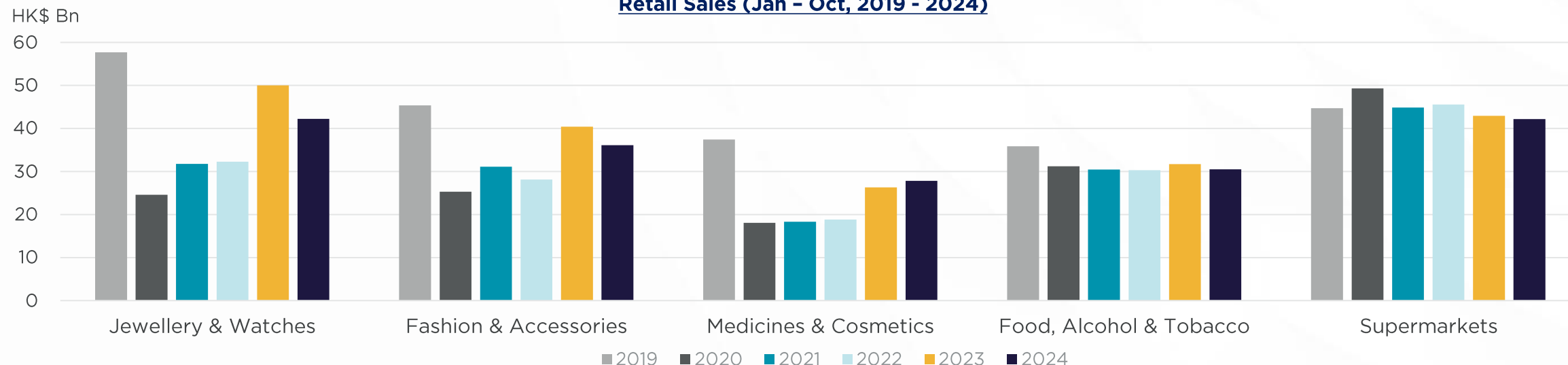


RETAIL SALES CONTINUED TO FALL

The near-term performance to be affected by changed consumption patterns

Retail Sales (HK\$ Bn)	Jan - Oct						2024	Y-o-Y Δ
	2019	2020	2021	2022	2023	2024		
Jewellery & Watches	57.69	24.60	31.78	32.26	50.00	42.25	-15.5%	
Fashion & Accessories	45.39	25.31	31.11	28.12	40.42	36.13	-10.6%	
Medicines & Cosmetics	37.44	18.06	18.33	18.85	26.33	27.83	5.7%	
Food, Alcohol & Tobacco	35.86	31.23	30.45	30.31	31.71	30.51	-3.8%	
Supermarkets	44.72	49.32	44.87	45.56	42.94	42.19	-1.8%	
Total	365.06	266.38	288.91	286.79	336.14	312.29	-7.1%	

Retail Sales (Jan - Oct, 2019 - 2024)

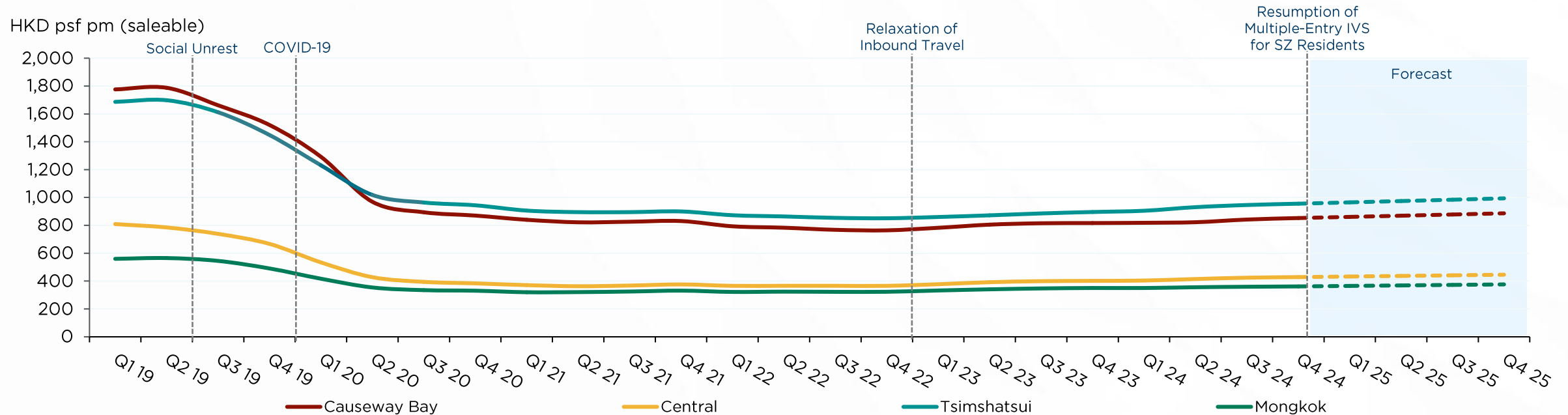


Source: Hong Kong Census & Statistics Department; Cushman & Wakefield Research

HIGH STREET RENTS IN CORE AREA PICKED UP STEADILY

With Tsimshatsui and Central performing better YTD among the core districts

Districts	2019	2020	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q-o-Q Δ	Y-o-Y Δ	2025F
Causeway Bay	\$1,520	\$870	\$831	\$764	\$816	\$818	\$822	\$842	\$852	1.3%	4.4%	+3 ~ +5%
Tsimshatsui	\$1,448	\$944	\$900	\$851	\$896	\$905	\$931	\$946	\$956	1.0%	6.7%	
Central	\$667	\$384	\$376	\$366	\$402	\$404	\$415	\$424	\$429	1.0%	6.7%	
Mongkok	\$491	\$331	\$332	\$323	\$350	\$350	\$356	\$359	\$362	0.6%	3.2%	

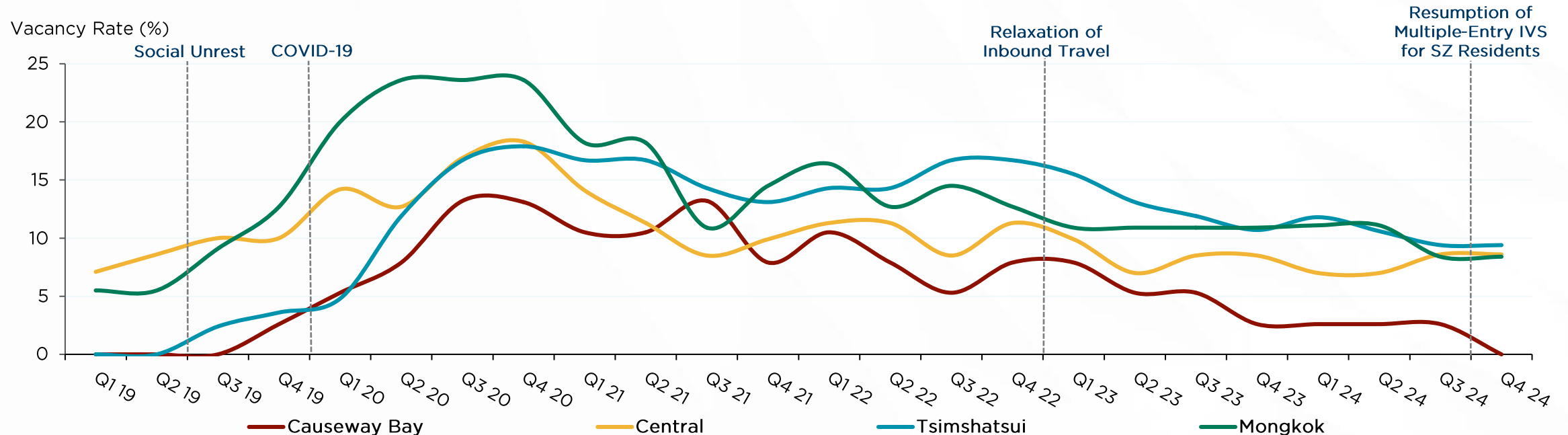


Source: The Land Registry; Market Info; Cushman & Wakefield Research

CAUSEWAY BAY 1-TIER HIGH STREETS ARE NOW FULLY-OCCUPIED

Other districts' vacancy rates remained largely stable

Districts	2019	2020	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Causeway Bay	2.6%	13.1%	7.9%	7.9%	2.6%	2.6%	2.6%	2.6%	0.0%
Central	10.0%	18.3%	9.9%	11.3%	8.5%	7.0%	7.0%	8.6%	8.6%
Tsimshatsui	3.6%	17.9%	13.1%	16.7%	10.7%	11.8%	10.6%	9.4%	9.4%
Mongkok	12.7%	23.6%	14.5%	12.7%	10.9%	11.1%	11.1%	8.4%	8.4%
Overall	7.3%	18.5%	11.7%	12.9%	8.9%	9.1%	8.8%	8.0%	7.6%

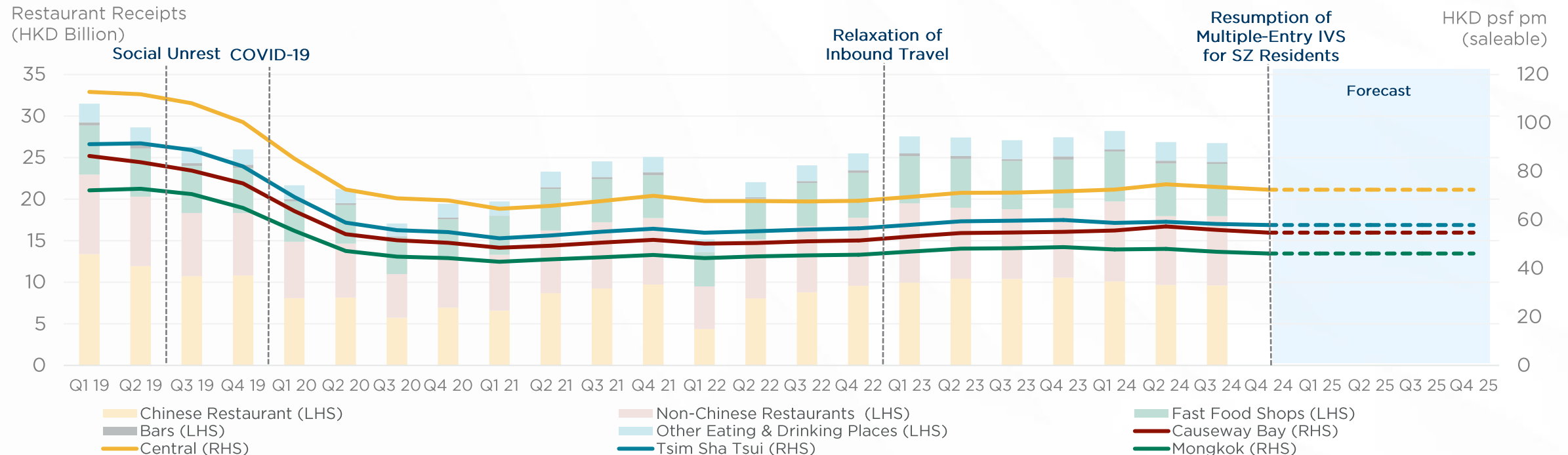


Source: The Land Registry; Market Info; Cushman & Wakefield Research

F&B RENTS TRENDED FURTHER DOWNWARD

Impacted by change of spending patterns of tourists and outbound traveling of local residents

Districts	2019	2020	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q-o-Q Δ	Y-o-Y Δ	2025F
Causeway Bay	\$75.1	\$50.6	\$51.8	\$51.5	\$55.1	\$55.7	\$57.3	\$55.9	\$54.8	-2.0%	-0.6%	Flat
Central	\$100.3	\$68.1	\$69.9	\$67.9	\$71.8	\$72.5	\$74.7	\$73.6	\$72.5	-1.5%	0.9%	
Tsimshatsui	\$82.1	\$55.0	\$56.4	\$56.5	\$60.0	\$58.8	\$59.2	\$58.4	\$57.9	-0.7%	-3.5%	
Mongkok	\$65.0	\$44.3	\$45.5	\$45.6	\$48.8	\$47.8	\$48.1	\$46.9	\$46.2	-1.5%	-5.4%	



Source: The Land Registry; Market Info; Cushman & Wakefield Research

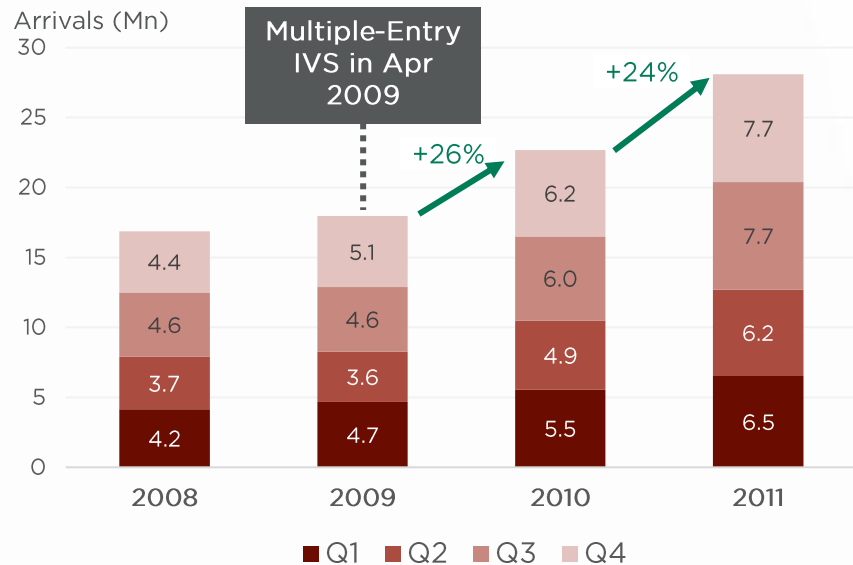
MULTIPLE-ENTRY INDIVIDUAL VISIT SCHEME (IVS) FOR SHENZHEN RESIDENTS RESUMED

We expect more mainland visitors during festival seasons such as Christmas and Chinese New Year

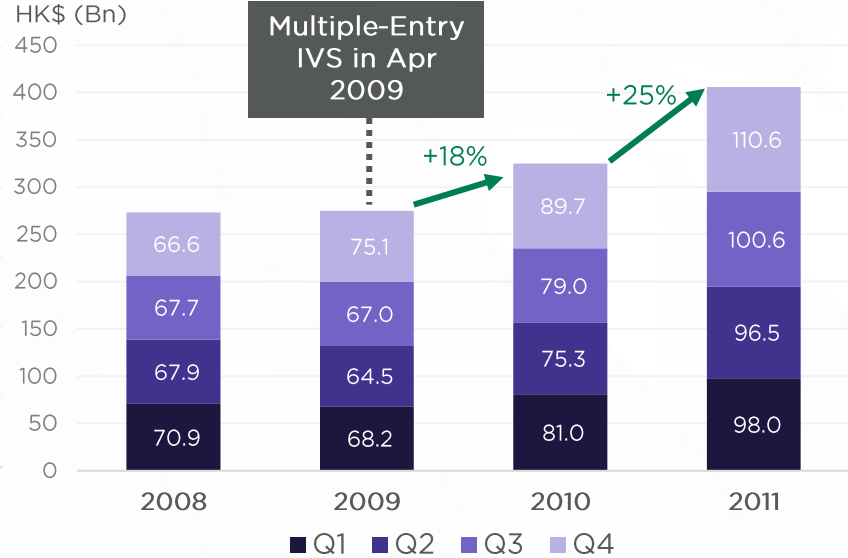
Before and After Multiple-Entry IVS Firstly Introduced in April 2009

Mainland Visitor Arrivals (Mn)							Retail Sales (HK\$ Bn)								
	2008	2009	Y-o-Y%	2010	Y-o-Y%	2011	Y-o-Y%		2008	2009	Y-o-Y%	2010	Y-o-Y%	2011	Y-o-Y%
Q1	4.2	4.7	12.6%	5.5	18.7%	6.5	17.5%	Q1	70.9	68.2	-3.9%	81.0	18.8%	98.0	21.0%
Q2	3.7	3.6	-4.1%	4.9	37.7%	6.2	25.1%	Q2	67.9	64.5	-5.1%	75.2	16.9%	96.5	28.1%
Q3	4.6	4.6	0.1%	6.0	30.2%	7.7	27.9%	Q3	67.7	67.0	-1.1%	79.0	17.9%	100.6	27.4%
Q4	4.4	5.1	16.6%	6.2	21.8%	7.7	24.7%	Q4	66.6	75.1	12.8%	89.7	19.4%	110.6	23.3%
TOTAL	16.9	18.0	6.5%	22.7	26.3%	28.1	23.9%	TOTAL	273.1	274.7	0.6%	325.0	18.3%	405.7	24.9%

Mainland Visitor Arrivals (Mn)



Retail Sales HK\$ (Bn)



Resumed in Dec 2024

Mainland Visitor Arrivals via Six Land Boundary Control Points*

23rd - 24th Nov 2024 153,252

7th - 8th Dec 2024 169,255

* Referring to Lo Wu, Heung Yuen Wai, Man Kam To, Lok Ma Chau, Lok Ma Chau Spur Line and Shenzhen Bay

Comparing the full weekend before and after the resumption of the "Multiple-Entry" IVS, the number of mainland visitor arrivals increased **10.4%**.

Forecast:
Q1 2025 vs. Q1 2024
Retail Sales **+3% to 5%**

Source: Hong Kong Census & Statistics Department; Immigration Department; Cushman & Wakefield Research



Retail Market 2024 Review & 2025 Outlook

Key Takeaways

1

Retail sales growth continued to slow down from Jan to Oct, as affected by the structural change in consumption habits of local residents and tourists

2

Leasing demand in prime locations remained relatively resilient, with core high street retail rents recovered by around 3% to 7% in 2024

3

Vacancy rates across districts have been declining steadily throughout the year, with Causeway Bay now stands at 0%

4

PRC brands to become key driver of leasing demand in near term, filling up vacant spaces on both high streets and shopping malls

5

With the recent resumption of 'multiple-entry' Individual Visit Scheme for Shenzhen residents, we expect visitor arrivals to improve, with core high street retail rents to pick up 3% to 5% in 2025

03

**RESIDENTIAL
MARKET**



RESIDENTIAL SALES GAINED MOMENTUM AFTER FED'S RATE CUT & POLICY ADDRESS

No. of residential S&Ps picked up notably in October and November

Month	2012	...	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Y-o-Y Change
Jan	3,507	...	6,412	2,045	3,286	5,270	4,543	2,762	4,562	4,275	3,051	3,477	14%
Feb	3,884	...	6,027	1,807	4,079	5,482	4,089	3,572	6,125	2,912	4,282	2,375	-45%
Mar	11,358	...	4,329	2,369	5,856	4,263	5,231	3,870	7,444	2,869	6,690	3,971	-41%
Apr	8,217	...	4,549	4,494	7,060	6,646	7,822	4,102	7,325	3,897	4,583	8,551	87%
May	8,349	...	5,168	4,586	5,732	5,522	8,208	5,984	7,084	6,202	4,003	5,546	39%
Jun	5,886	...	5,776	4,620	6,100	6,713	4,627	6,987	7,591	4,826	3,613	3,856	7%
Jul	5,709	...	5,393	4,243	3,515	6,091	4,805	6,133	7,579	3,671	3,065	3,723	21%
Aug	8,087	...	3,896	5,821	4,014	4,822	4,084	4,358	5,546	4,137	3,247	3,654	13%
Sep	7,301	...	4,263	7,826	5,629	3,500	3,447	5,024	5,844	3,875	2,862	2,848	0%
Oct	8,714	...	3,300	6,601	5,289	4,243	4,001	4,951	4,643	3,148	2,123	4,697	121%
Nov	7,035	...	2,826	6,739	5,694	2,635	5,756	6,070	5,409	2,731	2,554	6,298	147%
Dec	3,286	...	4,043	3,550	5,337	2,060	3,184	6,067	5,145	2,507	2,929	4,800*	64%
Total	81,333	...	55,982	54,701	61,591	57,247	59,797	59,880	74,297	45,050	43,002	53,796*	25%

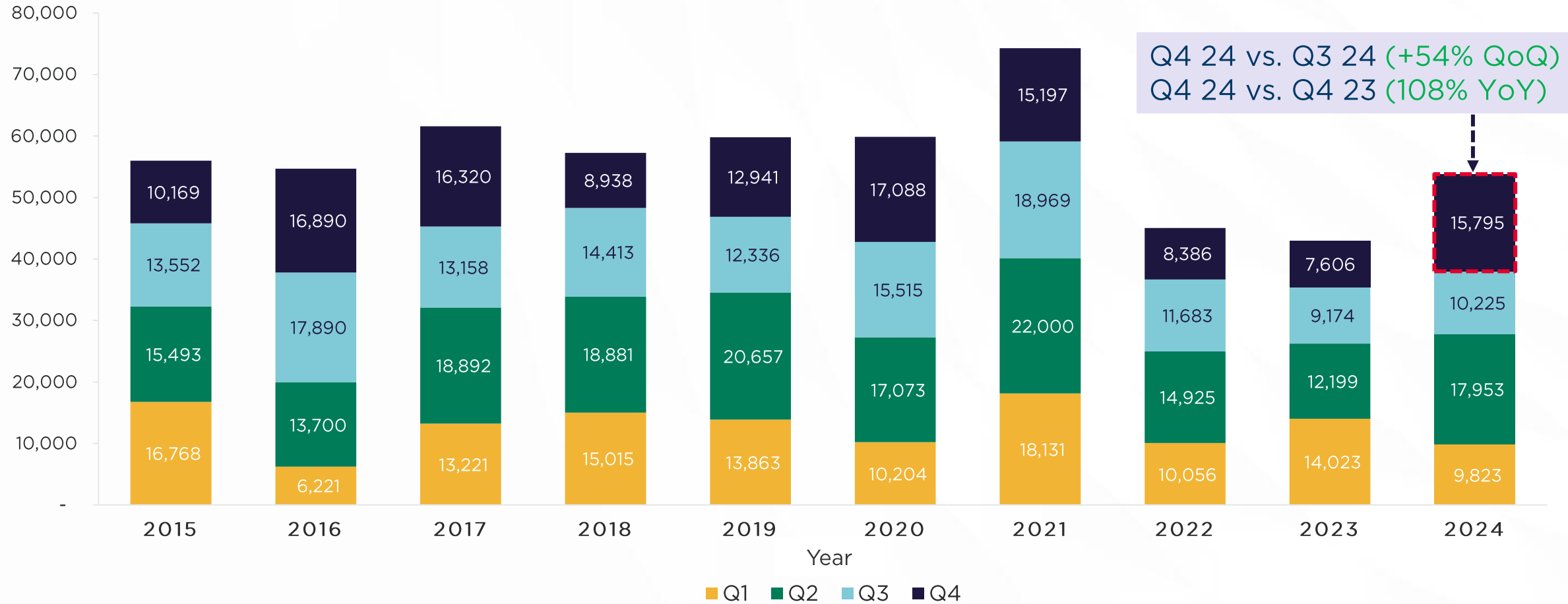
Note: S&Ps: Sales & Purchase Agreements
*Estimated number by Cushman & Wakefield
Source: Land Registry; Cushman & Wakefield Research

Q4 24 vs. Q3 24 (+54% QoQ)
Q4 24 vs. Q4 23 (+108% YoY)

TOTAL RESIDENTIAL S&PS – HISTORICAL COMPARISON

Forecasted to reach circa 15,800 cases in Q4 2024

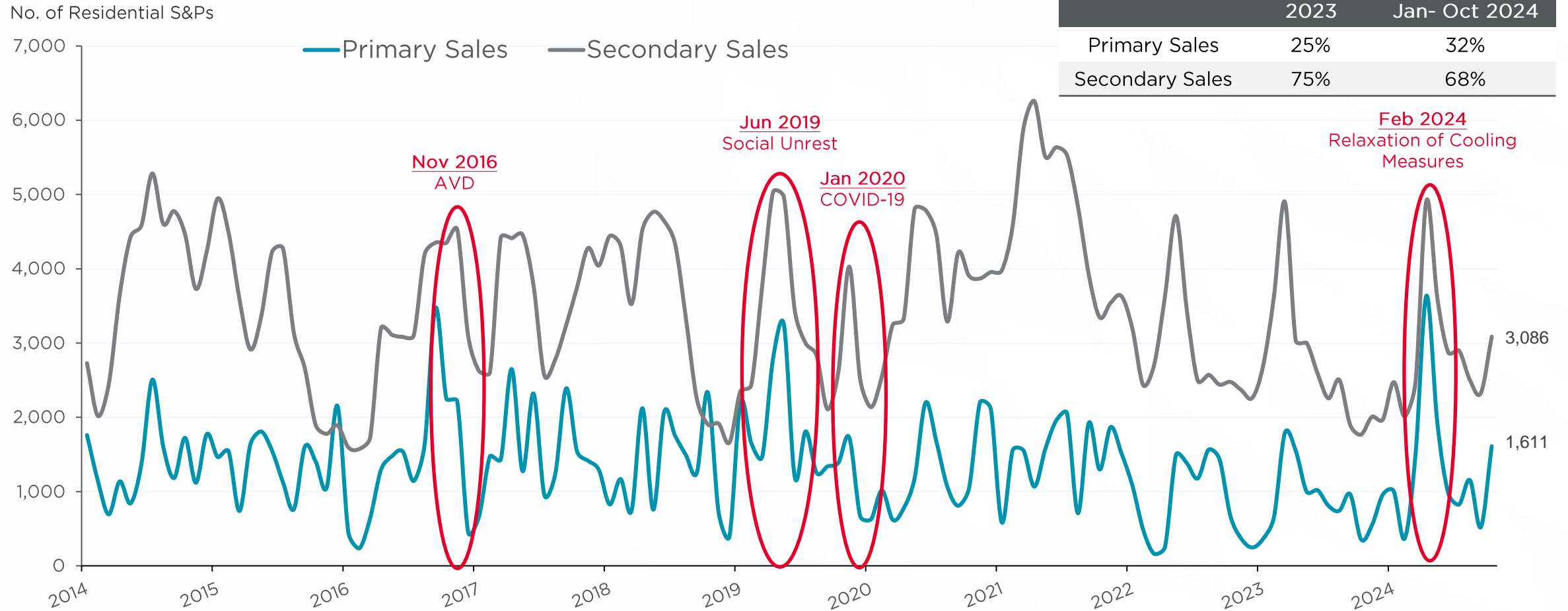
No. of Residential S&Ps



Note: S&Ps: Sales & Purchase Agreements
Source: Land Registry; Cushman & Wakefield Research

PRIMARY AND SECONDARY SALES

Primary housing market maintained its momentum

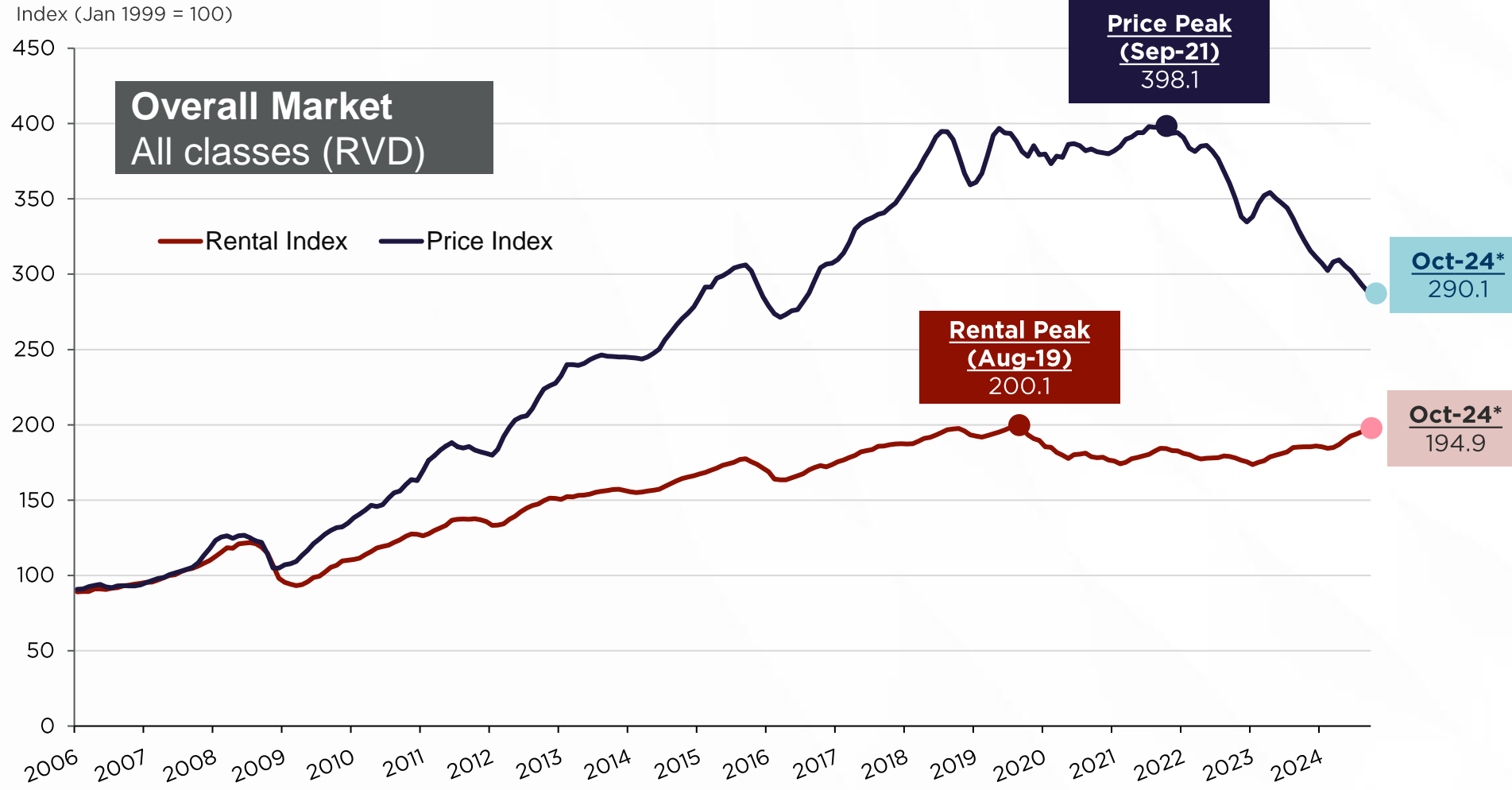


Breakdown of Residential Sales (%)		
	2023	Jan- Oct 2024
Primary Sales	25%	32%
Secondary Sales	75%	68%

Notes: AVD is short for Ad Valorem Stamp Duty
Source: Land Registry; Cushman & Wakefield Research

HOME PRICES DROPPED 6.8% FOR THE FIRST 10 MONTHS, BUT RENTS INCREASED 4.8%

Residential leasing demand has been supported by incoming talents and students



Price Changes (%) Oct 2024*	
YTD	-6.8%
Y-o-Y	-9.9%
From Sep-21 (Historical Peak)	-27.1%

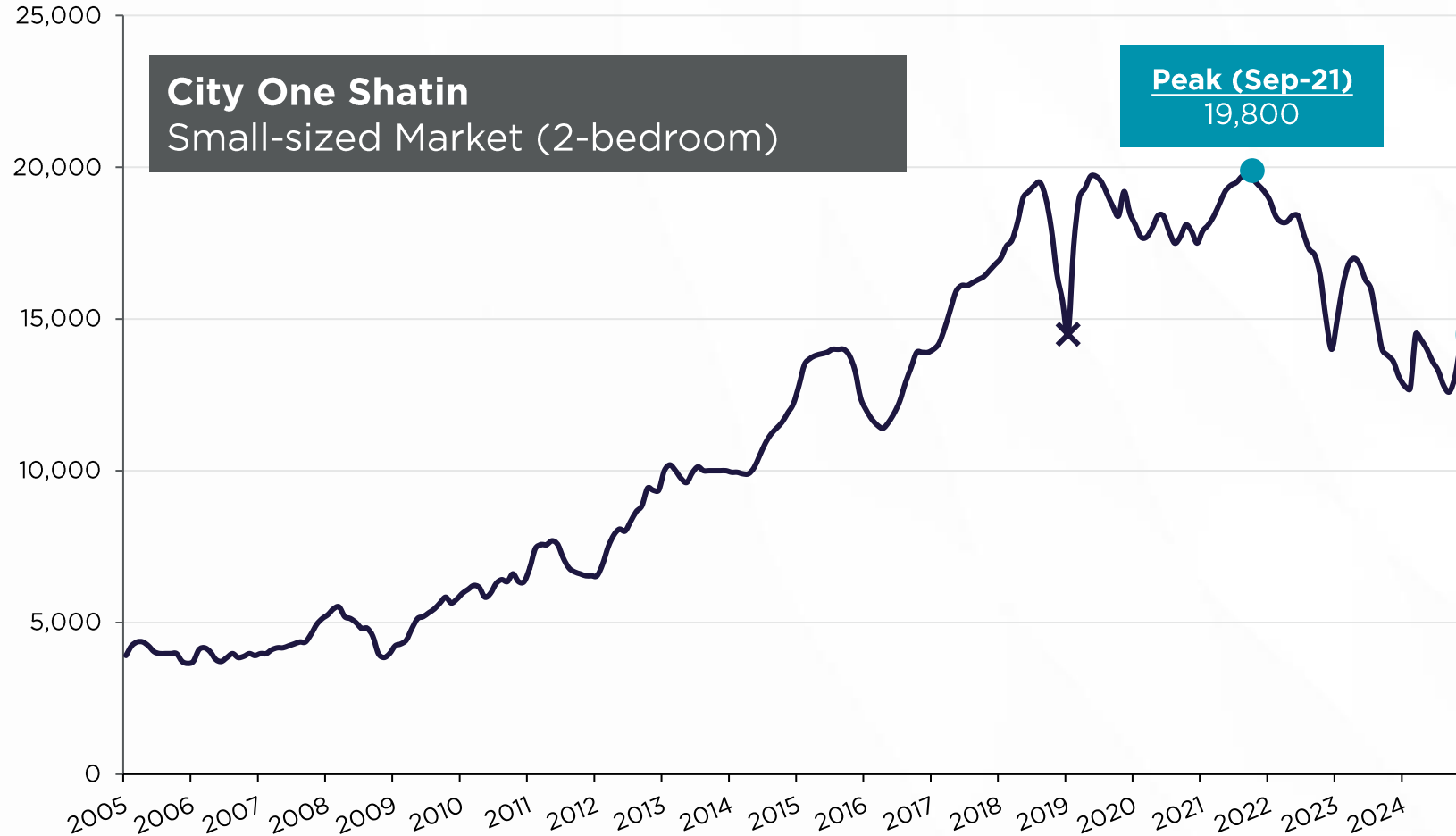
Rental Changes (%) Oct 2024*	
YTD	+4.8%
Y-o-Y	+5.1%
From Aug-19 (Historical Peak)	-2.6%

* Preliminary figure from Rating & Valuation Department as of October 2024
Source: Rating & Valuation Department; Cushman & Wakefield Research

MASS MARKET RESIDENTIAL PRICE

Prices at City One Shatin up 13.5% q-o-q

HKD psf (Saleable)

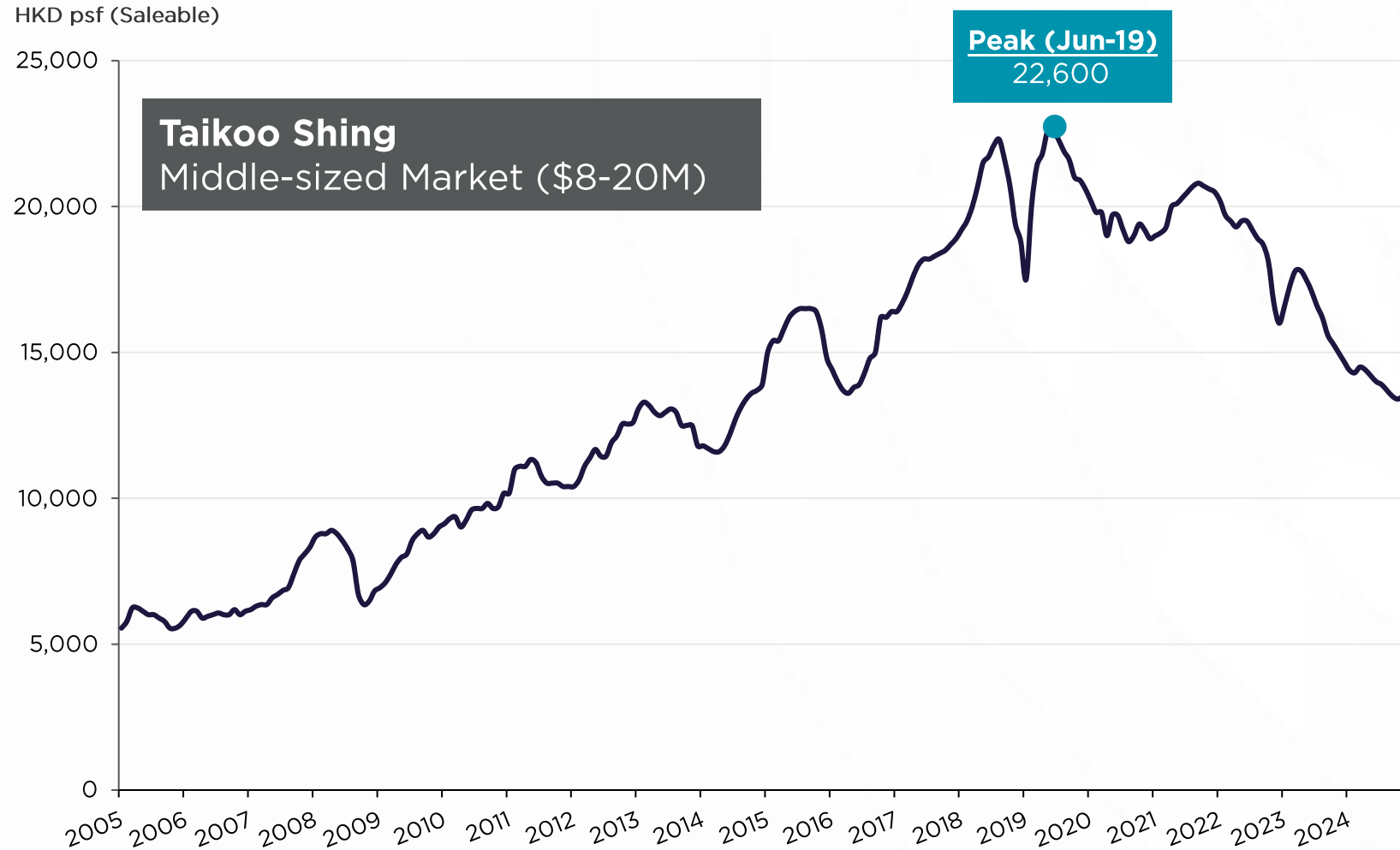


Residential Price Changes (%) Dec 2024*	
Q-o-Q	13.5%
Y-o-Y	9.2%
From Sep-21 (Historical Peak)	-27.8%

*Dec 2024 home prices as of Dec 6
Source: Cushman & Wakefield Research

MIDDLE MARKET RESIDENTIAL PRICE

Prices at Taikoo Shing (Kao Shan Terrace) edged up 0.7% q-o-q



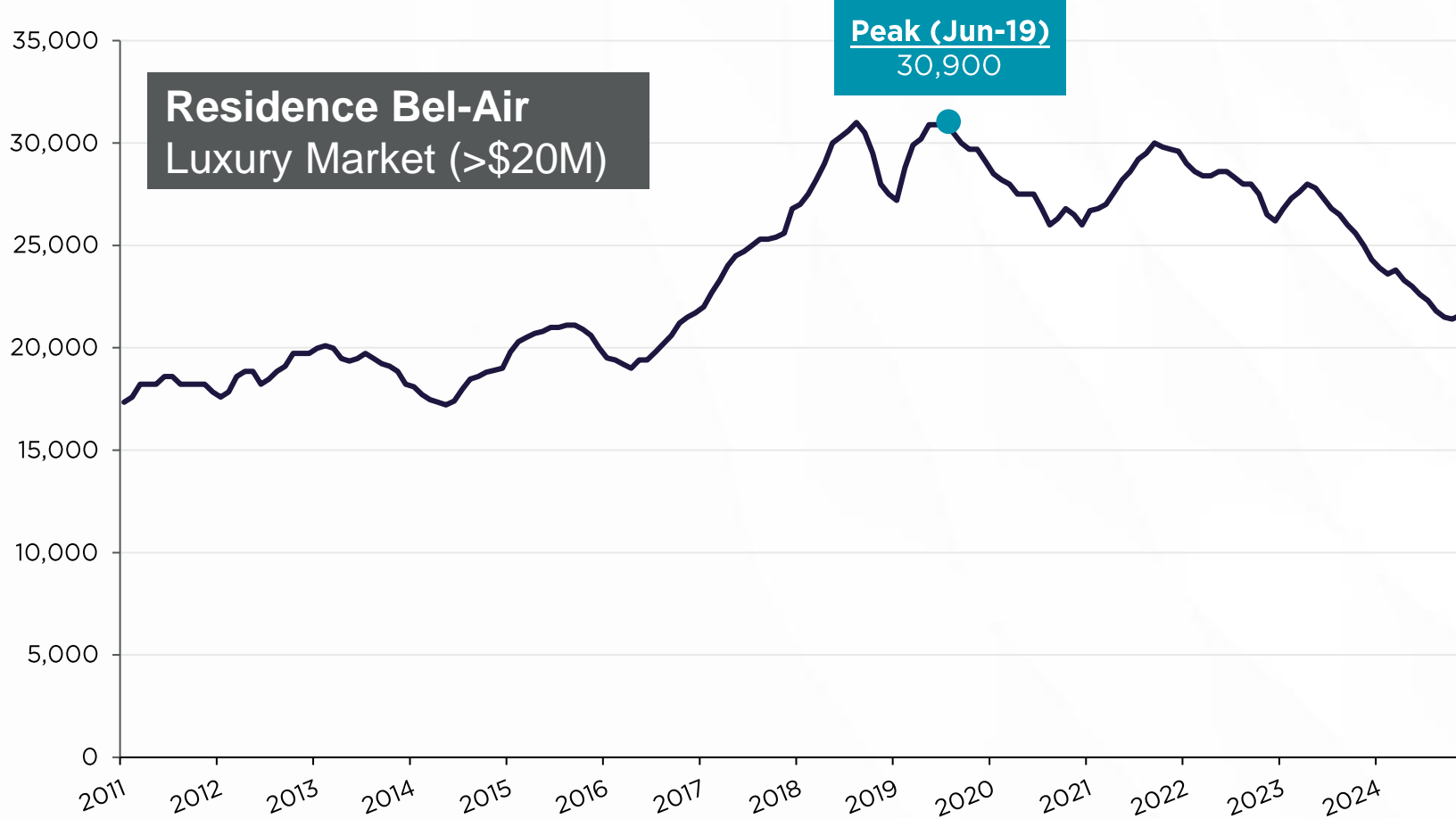
Residential Price Changes (%) Dec 2024*	
Q-o-Q	0.7%
Y-o-Y	-7.5%
From Jun-19 (Historical Peak)	-39.8%

*Dec 2024 home prices as of Dec 6
Source: Cushman & Wakefield Research

LUXURY MARKET RESIDENTIAL PRICE

Prices at Residence Bel-Air (Phase 2) increased slightly at 0.5% q-o-q

HKD psf (Saleable)



Residential Price Changes (%) Dec 2024*	
Q-o-Q	0.5%
Y-o-Y	-11.1%
From Jun-19 (Historical Peak)	-30.1%

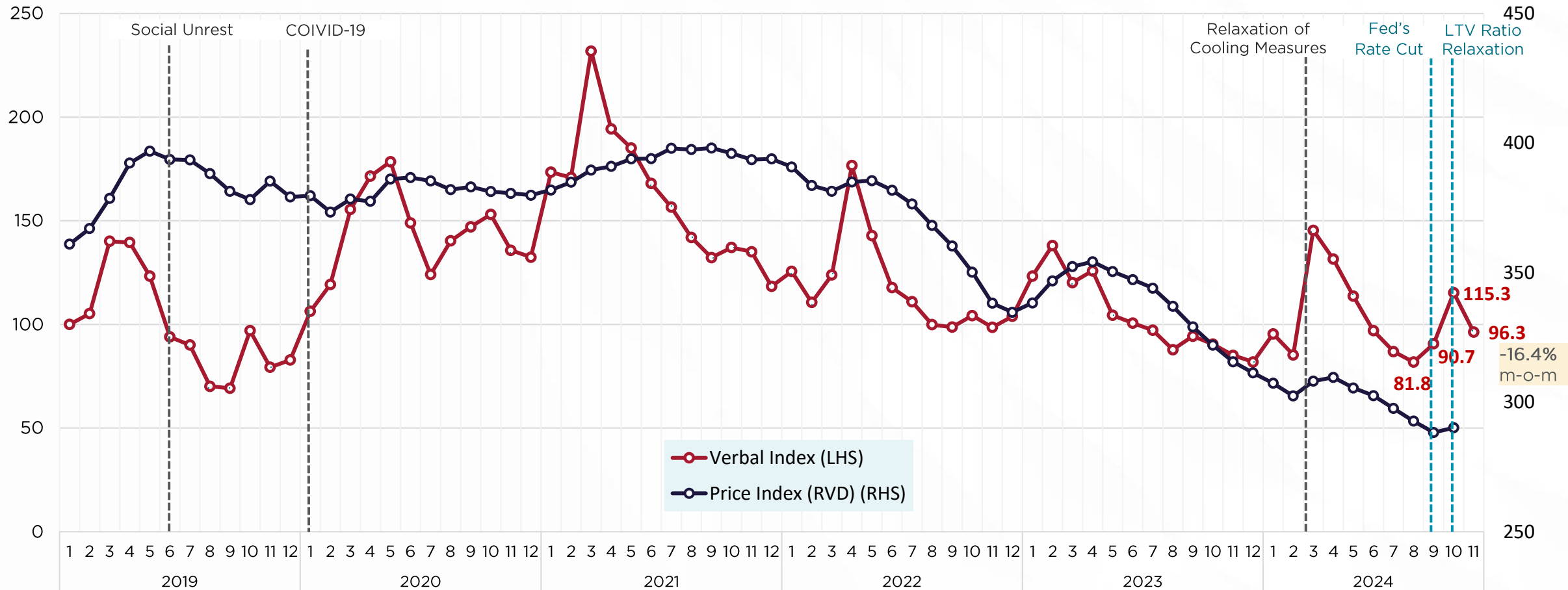
*Dec 2024 home prices as of Dec 6
Source: Cushman & Wakefield Research

C&W VERBAL ENQUIRY INDEX: A LEADING INDICATOR TO HOUSING PRICE

Valuation enquiry level dropped in November, but still higher than the level after Fed rate cut

Verbal Index
(Jan 2019 = 100)

Price Index
(1999= 100)





Residential Market 2024 Review & 2025 Outlook

Key Takeaways

1

Residential transactions picked up in Q4 after interest rate eased. We expect the 2024 total residential S&Ps number to reach 53,800 units, up 25% annually

2

According to C&W data, as of early-Dec, overall mass market home prices was up around 1% q-o-q, retreating approx. 7% from 2023 level

3

In 2025, we expect the ongoing rate-cut cycle, and the ongoing influx of expats and non-local students bring support to the housing market demand

4

2025 transaction volume: +5 to +8% y-o-y to about 56,000 to 58,000 units

5

2025 home prices: to pick up by 5% range annually, assuming the rate cut continue

04

**INVESTMENT
MARKET**



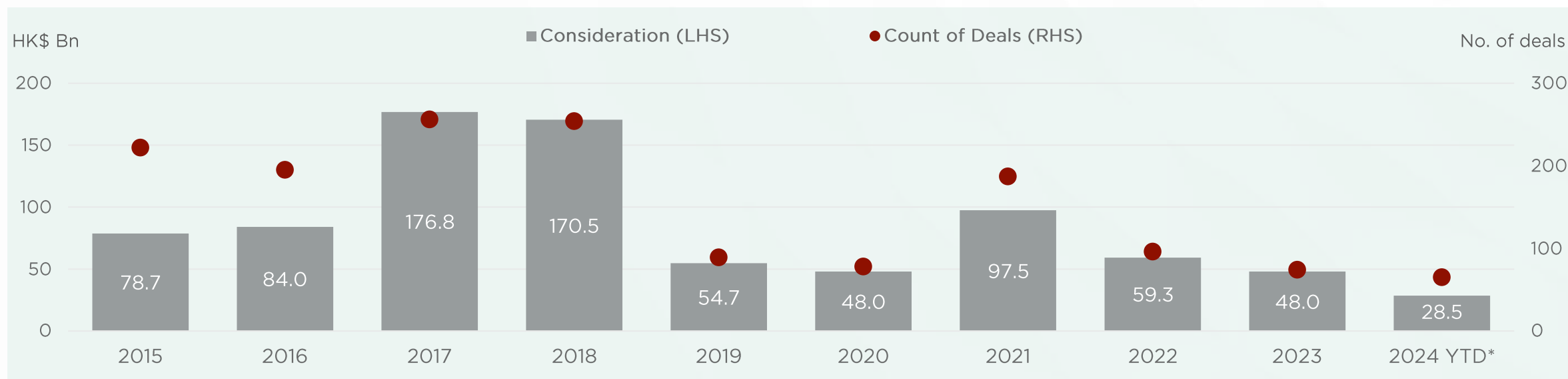
OVERALL INVESTMENT ACTIVITY REMAINED SLUGGISH

2024 YTD total investment volume recorded HK\$28.5 billion

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD*
Deal count	222	195	256	254	89	78	187	96	74	65
Consideration (HK\$ Bn)	78.7	84.0	176.8	170.5	54.7	48.0	97.5	59.3	48.0	28.5
Avg deal size (HK\$ Mn)	355	431	691	671	615	615	522	617	649	439

Note: Transactions with deal size >HK\$100M were recorded, covering office, retail, industrial, hotel, mixed-used, car parks and private site transactions

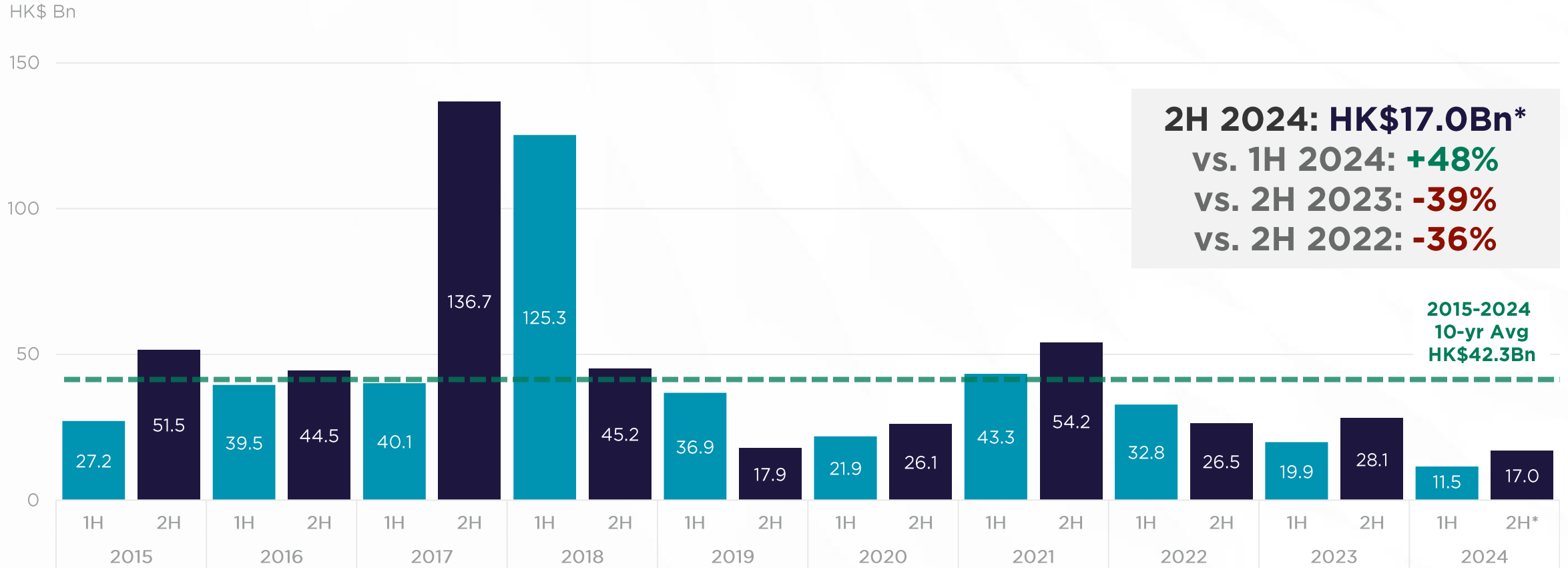
* 2024 YTD as of Dec 6



Source: Cushman & Wakefield Research

OVERALL INVESTMENT ACTIVITY REMAINED SLUGGISH AMID THE PERSISTENT HIGH RATE ENVIRONMENT

2024 as the weakest year in the recent decade



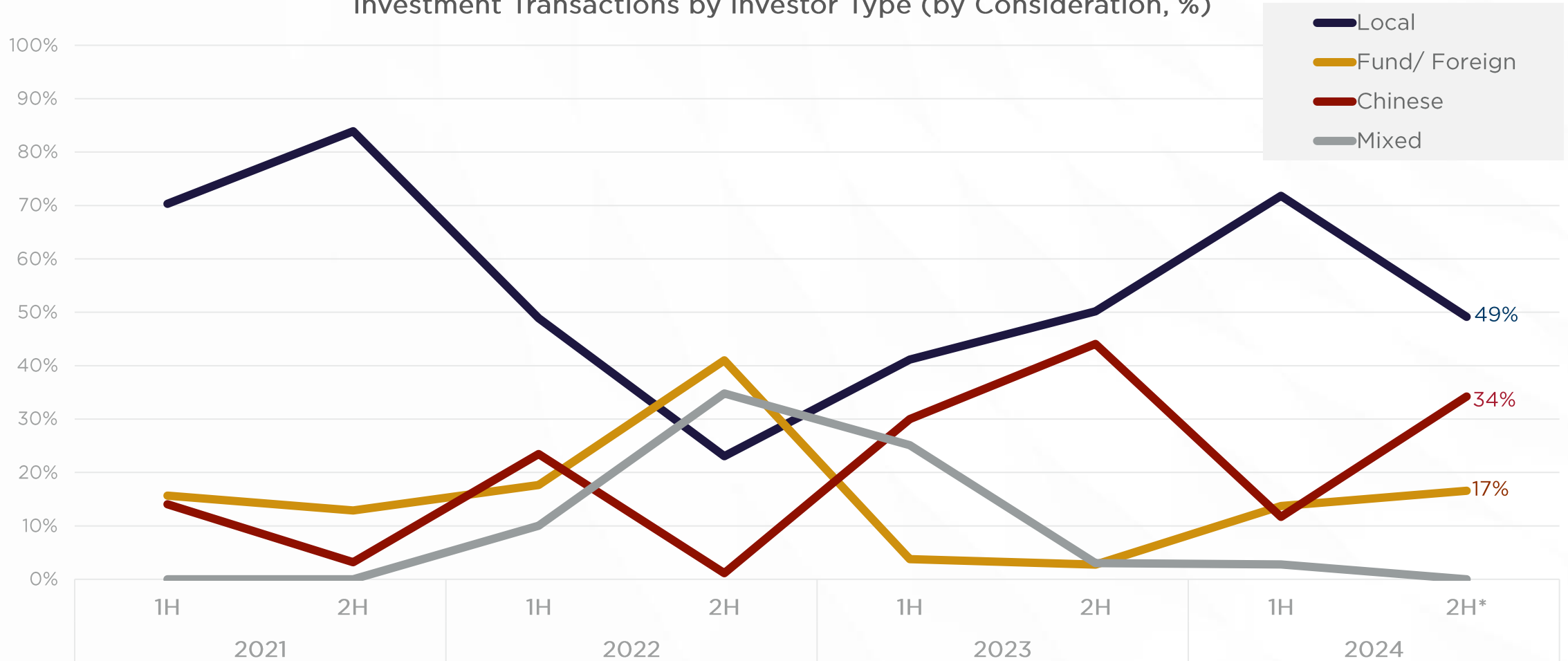
* 2H 2024 as of Dec 6

Source: Cushman & Wakefield Research

LOCAL INVESTORS REMAINED AS THE MAJOR SOURCE OF CAPITAL

With some foreign and PRC capital participating in large ticket deals

Investment Transactions by Investor Type (by Consideration, %)

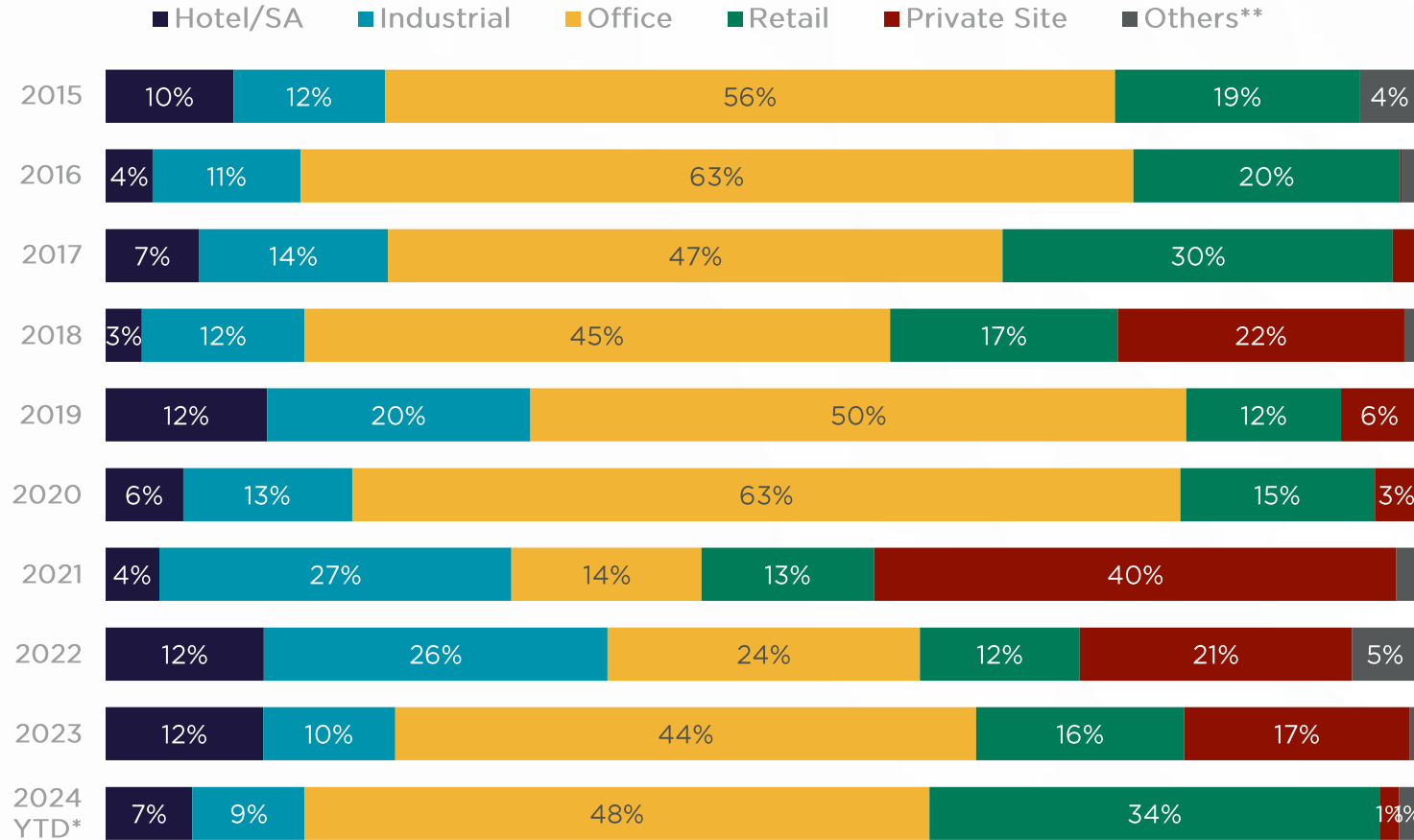


* 2H 2024 as of Dec 6
Source: Cushman & Wakefield Research

OFFICE & RETAIL TRANSACTIONS CAPTURED MOST INVESTMENT CAPITAL IN 2024

End-users were attracted by the price correction of this sector

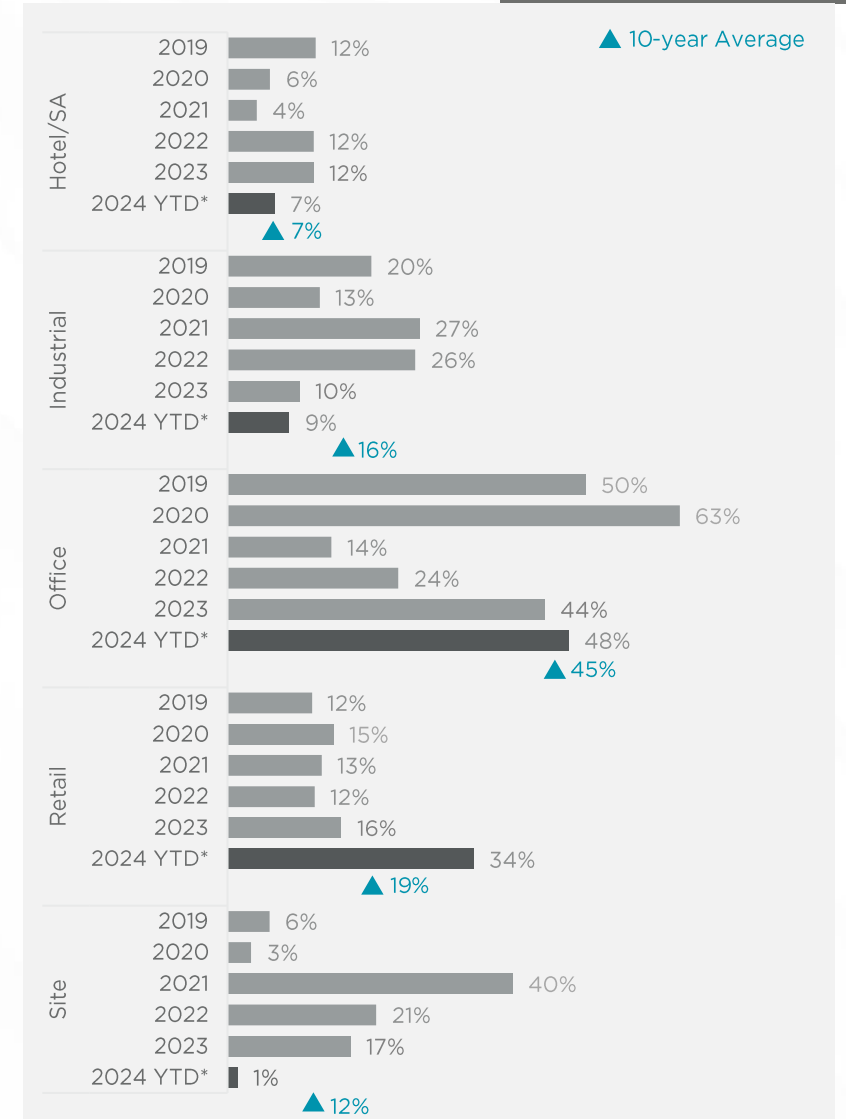
CRE Transactions by Sector (in Consideration, %)



* 2024 YTD as of Dec 6

** "Others" includes mixed-use assets and carparks

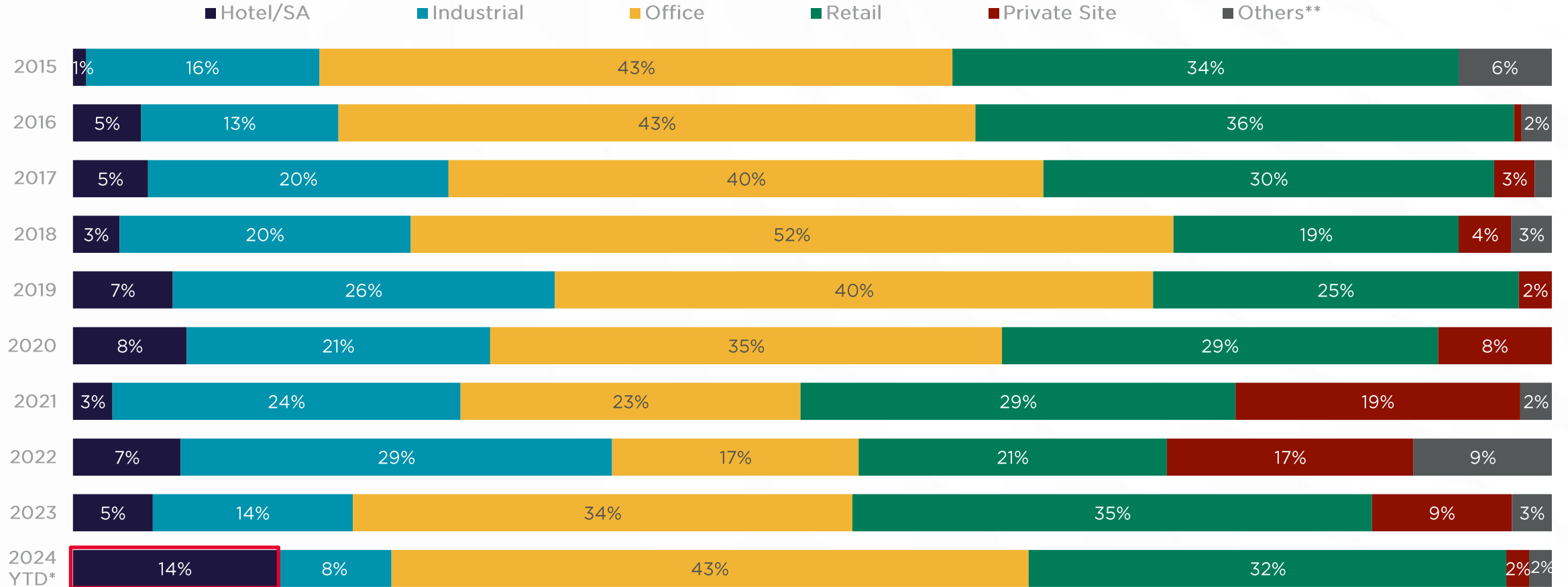
Source: Cushman & Wakefield Research



BY DEAL COUNT, HOTEL & SERVICE APARTMENTS ARE GAINING INCREASING TRACTION

Supported by the ongoing influx of rental demand from non-local expats and students

CRE Transactions by Sector (By Number of Deals, %)



* 2024 YTD as of Dec 6

** "Others" includes mixed-use assets and carparks

Source: Cushman & Wakefield Research

EN-BLOC RENTAL HOUSING RELATED TRANSACTIONS OVER THE PAST 18 MONTHS

Properties with conversion potential have been sought after by investors

Date	Property	Property Type	District	Consideration (HK\$, mil)	Buyer	Seller
Q4 2024	The Unit Davis	Serviced Apartment	Sai Wan	275	Local Investor	Emperor Hotels Group
Q4 2024	100-102 Queen's Road East	Serviced Apartment	Wanchai	160	Local Investor	Local Investor
Q3 2024	Popway Hotel	Hotel	Tsim Sha Tsui	180	Centaline Investment	Hotel Group Owner
Q3 2024	Incredible Residences	Serviced Apartment	Hung Hom	123	Crystal Group	Receivership deal
Q2 2024	Yiu Kei Mansion	Serviced Apartment	Tsim Sha Tsui	150	Local Investor	Local Investor
Q2 2024	Hotel Ease Access · Lai Chi Kok	Hotel	Lai Chi Kok	220	Crystal Group	Local Investor
Q2 2024	CHI 120	Serviced Apartment	Sai Ying Pun	188	Mainland Investor	CHI Residences
Q1 2024	The Sheung Wan by Ovolo	Hotel	Sheung Wan	320	PGIM + Dashi Living	Local Investor
Q3 2023	84-102 Wuhu Street	Hotel	Hung Hom	1,000	HK Metropolitan University	Local Investor

Source: Cushman & Wakefield Research



Investment Market 2024 Review & 2025 Outlook

Key Takeaways

- 1** Investment sentiment remained slow amid high-rate environment. Total consideration stands at HK\$28.5 billion YTD (as of 6 Dec 2024), down 41% from 2023 full-year amount
- 2** Some landlords have been more willing to offer greater discounts on asking prices, or to sell at a loss, leading to price corrections across sectors
- 3** Office assets dominated investment transactions, as supported by the bargain-hunting activities by end-users and cash-rich investors
- 4** Rental housing assets are likely to be sought after, driven by the strong market fundamentals and government policy
- 5** 2025 total investment volume forecasted to pick up around 10% to reach approx. HK\$30 billion, mainly driven by local and Chinese capital

Q&A SESSION



John Siu
Managing Director
Hong Kong



Tom Ko
Executive Director
Head of Capital
Markets,
Hong Kong



Rosanna Tang
Executive Director
Head of Research,
Hong Kong



Edgar Lai
Senior Director
Valuation and Advisory
Services,
Hong Kong